



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

NOTES AND COMMENTS.

I.

ECONOMIC OPTIMISM.

EVERY thoughtful man sees at the present time a great and growing body in our population, not only dissatisfied with their position in the social order, but determined, by one means or another, to change it. Groping their way in the dark, they are finding new power, and are beginning to use it. This phase of social science everywhere attracts attention as it never did before, and the natural result is a flood of economic discussion.

The contributors to this discussion may be divided into two general classes. There are, first, the true builders of our new political economy, who, endeavoring to find bed-rock, are laying the foundations broad and deep, and rearing a structure of enduring qualities. Next are those who build their house partly on the rock and partly on the sand, apparently as it may happen. Worse yet, as though building material were scarce, they often work in unsound timber, and sometimes make dry sand do for mortar. In the latter class, there are many divisions. A few treat of the awful darkness of the dark side of things. But our busy man of to-day has little to do with their ideas, because they do not come much in his way, and, if they do, they are not pleasant; moreover, he does not believe in that sort of thing. Then we have the sentimental economists, who give us extremely sympathetic articles on the sorrows of the poor—and the pity is, they find so much actual material for their work. But forgetting that a few cases cannot accurately represent a class, they often defeat their own object by drawing a picture so dismal that few will believe it true. Finally, in opposition to all these kinds and shades of our new economists, come the cheerful ultra-optimists—the embodiment of complacency. With brilliant rhetoric, or a bewildering array of facts and figures, these smug gentlemen show that the improvement in the condition of the poor is something quite delightful to contemplate.

It is to these smiling, optimistic philosophers that I wish to devote a few words. Not a little of their work is spread in the air at after-dinner speeches. Other parts of it go into type in small books, or in magazines, thence to be quoted in all sorts of talks, papers, and addresses, as though from the very oracles.

I am pained to see that it seems somewhat peculiar to this class of our public instructors that their efforts are turned, not so much in search of unalloyed, undivided truth, as of those disjointed and segregated parts of truth that can be bent to support optimistic propositions. By careful selection of even partial facts, with graphic methods of comparison, and a show of profound knowledge of statistics and things, one is sometimes able "to deduce therefrom conclusions which the business man can no more resist than he can deny the results of an accurate balance sheet;"* that is, unless he examines closely.

* These highly complimentary, though doubtless sincere words, are quoted from a recent prominent editorial in an excellent periodical, in connection with matters examined in this brief criticism.—D. C. S.

Again, optimism is generally grateful to the American mind—if the mind happen to abide in a well-fed, well-clothed body—and is, therefore, absorbed all the more kindly. It is, indeed, an agreeable occupation to drink in thoughts of our national greatness, and to dwell upon our magnificent future. But are there not other things now pressing hard for consideration?

"Labor," I know, does many things it ought not to do, and I clearly perceive that, with Demagoguery mounting its shoulders and whispering in its ear, one of the dangers now threatening us is the pushing of class legislation too fast and too far. But, surely, these dangers cannot be avoided by our taking opiates, even the beautiful, sugary opiates of optimism. We must see things as they are. The day is forever past when we can safely rid our sight of unpleasant things by simply refusing to look upon them. Some very prominent people in France once made an awful failure in that way. We may be sure that in the end "right will prevail." But, if the present division of the fruits of labor between the brains and the hands—to borrow a figure from Mr. Lowell's "Democracy"—is not fair, and the brains, possessing every vantage ground, will not take the initiative, nor heed the signs of the times, then it will be only through great tribulation that the end will be reached.

I now propose to glance at one or two specimens of the present economic opiate. But, as I am permitted only a glance at this time, I must confine myself to the narcotic alleviations of a single writer, but a writer who is, at once, the most prominent, the most voluminous, and the most largely quoted of all his class in America. I refer to Mr. Edward Atkinson, and especially to certain articles of his which have recently appeared under the titles of "The Food Question in America and Europe" and "The Relative Strength and Weakness of Nations." These are elaborate, if not careful, studies of the condition of our laboring classes. The author of them is called an "eminent statistician and political economist," and the articles themselves are said to "contain the most valuable study of the material growth of the country yet made by any single writer."

Here is the conclusion found at the end of the second of these articles:

"Is it not true that, while the rich may have become relatively no poorer, the poor have been steadily growing richer, not so much in the accumulation of personal wealth as in the power of commanding the services of capital in ever increasing measure at a less proportionate charge?"

It may be admitted that the condition of the poor has been improved in recent years, but has Mr. Atkinson made a fair summing up of the relative progress of both the rich and the poor?

I might not consider this question worth asking, but for the fact that I believe all such teachings to be not only erroneous, but exceedingly harmful. There is, it seems to me, in the whole range of that sort of work, a subtle philosophy that says: Don't worry about the poor laboring classes; they are really very prosperous. If that is not the practical impression conveyed, I fail to read English intelligently.

However, I shall not attempt to prove the incorrectness of the single conclusion quoted. That is not my design. I wish, rather, to point out some of the fallacies upon which such conclusions are based, suggesting thereby to business men the advisability of examining the economic gospel that is given them.

Mr. Atkinson's method, in general, may be briefly stated to be a comparison of statistics of 1865 with those of 1885, and from the results to argue the prosperity of all our people. It is even pretty clearly announced in the conclusions of "The Food Question," that if there is want in the midst of plenty it must be due to bad cooking.

In Mr. Atkinson's first article it is stated, of the arable land in the United States, that, exclusive of pasturage, only 265,500 square miles are yet put to actual use in the production of articles of food. Elsewhere in the same article, and also in the gentleman's second article, it is stated that the land thus in use amounts to 302,500 square miles. The difference is something larger than the State of Indiana, or all of New England, exclusive of Maine.

Hay is given a space of 40,000 square miles, but it is also allowed to appear among the miscellaneous crops, which, in the aggregate, are said to occupy only 30,000 square miles. These two errors are mentioned merely as evidences of carelessness ; no other importance is attached to them.

In showing the growth of our cotton production the table begins with 1865-6. Yet no allusion is made to the fact that the hard necessities of war had reduced that industry from a crop of 4,823,770 bales in 1860, to barely 500,000 bales in 1865.*

In all cases where the argument is helped by a reduction of the 1865 prices to the gold standard, for comparison with present prices, it is done, and properly enough ; but, in at least three instances, where it would hurt the argument, it is not done. Here is an inverse illustration, in aggravated form.

To show the greatly lessened charge for the use of capital, which, according to Mr. Atkinson's conclusions, and in harmony with some outside evidence, seems to be the chief element in the riches of the poor, he says :

"Another fact may be stated which fairly sustains the general statement, that those who do the actual work of production are now securing to their own use a larger share than ever before of the joint product of labor and capital. The earning power of \$100 in gold coin invested in United States bonds of the best class was, at the highest point of paper-money inflation in 1864, 16.66 per cent. per year. At the present time the earning power of \$100 in gold coin invested in $4\frac{1}{2}$ per cent. United States bonds is only 2.20 per cent. per year."

We will pass the unreasonable assumption that investment in Government bonds at the present time fitly represents any of the enterprises in which labor commands the service of capital. But why go back to 1864, in the midst of the war, instead of starting with 1865, as in all other cases ?—the gold premium being in 1864 (July), 222 to 285, while in 1865 it was only 138 to 146½ for the same month ! But let us leave these little idiosyncrasies of a great economist, and consider this : The highest rate of interest ever paid by the Government on its Civil War bonds was 7.3 per cent. The bonds bearing that rate were withdrawn from the market in 1865, and so are not quotable for investment. The most desirable long-time bonds for sale in 1864 were the 6s of 1881. They sold above par throughout the year, and netted the investor less than 6 per cent. per annum. How then is it that 16.66 per cent. interest is obtained in the above statement ? It is by a deliberate inflation of the interest to paper-money value, not inadvertently, but by mathematical computation ! The covert allusion to paper inflation does not save it. If it be said that paper currency was the medium of the times, that does not alter the case a whit. Paper money would buy less bonds and receive less interest. "Money," whatever the medium—gold, paper or wampum—converted into Government bonds in 1864, produced of its kind less than seven per cent. per annum.

It is evident that Edward Atkinson does not look with too much favor upon Lord Bacon's inductive method of reasoning. Some instances of this disposition

* Estimated by Mr. Joseph Nimmo, Jr., in the Reports of the Department of Agriculture.

are not far from amusing, as when the annual value of our hens' eggs is estimated in this way :

"If each adult in the United States consumes one egg every other day, at only twelve cents a dozen, which is the proportion of the factory operatives of New England, the value of our hens' eggs is \$91,250,000 per year, or twice the value of the product of silver bullion, 25 per cent. more than the value of our wool clip, and greater than the entire product of our iron furnaces," etc.

Surely this is beginning a long way from the hen, and somewhat arbitrarily fixes the standard, right or wrong, that she should live up to.

Mr. Atkinson has the distinction of being "graphic." We find this example of the graphic in the "conclusions" of the food question :

"The modern miracle of the loaves is this : One man working the equivalent of three hundred days in the year, or three men working one hundred days, in the harvest season on the far plains of Dakota, in the production of wheat, aided by one man working three hundred days in milling and barreling the flour, and supplemented by two men working three hundred days in moving wheat and flour from Dakota to New York and in keeping all the mechanism of the farm, the mill, and the railroad in good repair, four men's work for one year places one thousand barrels of flour at the bakers' oven in the city of New York—a yearly ration of bread for one thousand men and women."

"Miracle" indeed ! The modern miracle is that any man could make such a statement. It is "graphic" nonsense.

The inevitable "if" that haunts Mr. Atkinson's arguments is here laid aside, and we are given a positive statement. Now let us see what this statement will make the cost of wheat delivered at the railroad station in Dakota.

The highest wages for farm hands in Dakota during the past two years have not exceeded \$26 per month for the summer season, or one dollar per working day. This gives us \$300 as the entire cost of the wheat for the 1,000 barrels of flour, or for 4,500 bushels of wheat at the usual estimate of four and one-half bushels for a barrel of flour. The \$300, then, would show six and two-thirds cents per bushel as the cost of raising wheat in Dakota. Mr. Oliver Dalrymple, the great wheat farmer of Dakota, now estimates the total cost at about fifty cents per bushel,—that is, more than seven times as much as it costs Mr. Atkinson's farmer—on paper.

Let me now call attention to Mr. Atkinson's transportation theories. There is in them such manifest bias that it is only with a severe strain on patience that they can be examined with decorum. Take a single one.

A great part of the argument in "The Food Question" is based on the showing of a vast saving to the people of the United States in the transportation charges for the year 1885 over those of the year 1865.

Mr. Atkinson says :

"If wheat had been subject in 1885 to the charge of 1865, the cost of moving 50,000,000 barrels of flour 1,000 miles (the estimated total consumption and average distance of transportation for all the people of the United States) would have been \$172,500,000. At the actual charge of 1885 over the New York Central line, at the average traffic charge of the year on all merchandise of 68 cents, the cost was \$34,000,000—a difference of \$138,500,000 on the flour alone."

This makes a fair start for the suggestions that follow :

"If we then save \$138,500,000 per year in the cost of transportation on our bread bill only, do we save tenfold on our whole food supply?" . . . "In view of these data, if the gain compassed in twenty years in the cost of moving bread alone has been \$138,500,000, how much do we now save on all the necessities of life?"

Now, let us see about this.

The transportation taken for comparison is that from Chicago to New York. Instead of taking the cheaper route over which the grain *actually came* in 1865, Mr. Atkinson has selected a more expensive one, over which the grain did *not* come. The grain came almost wholly by the Great Lakes, the Erie Canal, and the Hudson River; and yet he has everywhere in these articles completely ignored the existence of that great water-way. He has taken the aggregate charges on several independent roads—not consolidated into one system until four years later—which charges (\$3.45 per barrel) were so high as to be prohibitory, and then he has assumed to believe that they fairly represent the cost of our flour transportation from Chicago to New York in 1865.

I have been unable to find any statistics of the volume of all-rail transportation of grain from Chicago to New York in 1865, for the sufficient reason that practically there *was* none. But we know about the Erie Canal. The receipts at tide-water of wheat, and flour reduced to wheat, via the Erie and Champlain canals in 1865 was 11,693,200 bushels. This was the bulk of all the wheat and flour received in New York that year. It could be shown that but a very small part of it came by the Champlain. According to the reports of the New York Produce Exchange, Mr. E. H. Walker statistician, the total receipts of all kinds of grain, and flour reduced to grain, by these two canals, that year, were 51,400,400 bushels. The total receipts via the Erie Canal that year of all products from the Western States alone, chiefly grain and meats, were 1,904,156 tons, equivalent in weight to 63,471,866 bushels of wheat. The total estimated valuation of all the transportation of the Erie Canal that year was \$186,114,718.

These figures show that the Erie Canal did some business for the people in 1865. Even so late as 1884, Mr. Walker finds occasion to say:

"The Erie Canal delivers at New York in the navigation season, from May to November, more grain by nearly ten million bushels than all of the railroads terminating in New York deliver during the same period."

Let us now examine the rates charged in 1865.

At the estimate of four and one-half bushels of wheat per barrel of flour, the charges of \$3.45 per barrel would equal 76.6 cents per bushel for wheat transportation. (It would be more yet if figured by weight, at the ordinary proportionate rates for flour and wheat.) The actual charge by water, including canal tolls, averaged 26.6 cents per bushel that year. Remarkable support as to the relative accuracy of this is found in the rates on all merchandise by the two routes within the State of New York that year. By the New York Central line they were 3.3 cents per ton-mile, and by the Erie Canal 1.1 cents per ton-mile. The proportionate difference in favor of the water route was still greater west of Buffalo, and was, no doubt, quite sufficient to offset the fact that the transportation was of somewhat higher class by rail than by canal in the State of New York. Thus, we surely find an error of 50 cents per bushel of wheat in Mr. Atkinson's figures. This will scatter to the winds \$112,500,000 of the sum shown to be annually saved to us by the railroads. The remainder, as could be easily demonstrated, may be found in the paper money inflation of 1865, and in the reduced charges that have actually been brought about, not by the railroads, but invariably in the water transportation, the railroads respectfully following at as great a distance as consistent with their getting some of the business.

As for the rest of Mr. Atkinson's arguments, although some are tenable, many of them are like these I have analyzed. Thus, seeing grave defects in the foundation of his economic optimism, may we not reasonably doubt the value of whatever is built upon such a base?

I must add, however, that it is certainly not because Mr. Atkinson's hope is so bright that I have found occasion for this criticism. The hope of every American of healthy mind cannot *but be bright*. But, simply the truth regarding the resources and possibilities of this land of ours will amaze the world ; while, as for ourselves, we should remember that no one is so greatly deceived as he who deceives himself. I would not repress optimism, but would have it conform, in a measure, to the proposition that two times two still equals conservative, old-fashioned four.

DATUS C. SMITH.

II.

STORM-EFFECTS ON MENTALITY.

It has been argued, with more or less warmth, that one's disposition is largely affected by the kind of weather which prevails when one is born. While this is possible, it is also fanciful, and but few put any faith in it. There is, however, another weather phenomenon in which I believe: I am convinced that thought is influenced, in a very considerable degree, by the weather. My notice was first drawn toward this by a line in one of Voltaire's letters, in which he said: "My work has been murky, to-day, because the weather was murky." From this time on, I took close and careful account of my mental condition during various kinds of weather.

The result was a matter of great surprise to me, and it sometimes enforced deductions and conclusions which were almost startling. Though I seldom had sufficient time to profit by it, I found that the execution of plans, made during calm weather, was impossible during stormy weather, without the making of frequent changes—not only in details, but in general methods as well. Time and again, in some period of bright, sunshiny weather, I would lay out the plot of a novel, which would be full of the cheer and the joy of the smiling mood of nature. I would begin writing, full of the encouraging impetus which the weather gave me, and glad that I was able to do something which would be apart and separate from my nervous, dismal self ; and then a storm would swoop down upon me, and with dolorous scratch, my pen would clothe dolorous thoughts in even more dolorous words. When the storm was cleared, and the sun shone again, I would once more find myself able to make the things which I wrote as blithe and buoyant as the weather.

Storms always disturb me—sometimes they depress me, and make me feel tearful without knowing why. It is very hard to write *mots* which sparkle and glitter with mirth, when one's heart is heavy and sombre—just as it is difficult to write dirges when one feels like railing and joking. And so, fair weather is best suited to the writing of comedies, and foul weather to the writing of tragedies.

Another curious circumstance was the provoking features which characterized the working out, in fair weather, of a plot which I framed during a violent storm. Try as I would, I never could touch this story up so that I dared print it, and at last I burned it in despair.

Once, as an experiment, I planned two novels, to be worked on simultaneously. The one plot was shaped during a stormy period, and the other during a brief season of sunshine and summer glory which immediately followed. Whenever it was stormy, I worked upon the storm-planned novel ; and whenever the weather was bright, I worked upon the other. In each instance, I wholly surrendered myself to the moods which the weather stirred up within me, and made no effort to shake off the good cheer of the one or the despondency with which the other en-